

Quality and safety are the cornerstones of cost-effective health care. Quality and safety permeate every aspect of health care reform and are the keys to improving access and sustainability. The success of health care reform, therefore, begins with a discussion of how to increase quality and safety while simultaneously reducing costs. Through this response to the 208 Commission RFP, the Colorado Foundation for Medical Care (CFMC) and its partners provide solutions that fulfill Governor Bill Ritter's promise to "Promote regional health care quality collaborations to reduce costly medical errors and complications through better processes of care."

In this spirit, CFMC collaborated with the Colorado Clinical Guideline Collaborative (CCGC), COPIC Insurance Company, the Colorado Patient Safety Coalition (CPSC), and numerous other individuals and organizations to identify solutions that add value to all reform proposals. As Governor Ritter noted, "Health care reform must be developed collaboratively." The existing resources and expertise of organizations such as those represented here should be leveraged into whatever reforms the Commission chooses.

We recognize that fundamental changes must be made to align the various elements of today's fragmented health care system. Foremost, individuals, families, and communities must become accountable for the critical role they play in health outcomes. We can no longer afford to concentrate on treating disease rather than preventing it, and consumers need to make better choices in order for this to be successful. For their part, providers must work to engage individuals, families, and communities in partnership. Only through coordination and collaboration can efficient, effective, coordinated patient-centered care succeed.

Fundamental changes must be made to align the various elements of today's fragmented health care system towards the common goal of achieving and maintaining health. Some of these elements, such as who should have access and how do we pay for it, are beyond the scope of this proposal. However, we will demonstrate that a focus on quality and safety can have a positive impact on all aspects of care: access, coverage, affordability, portability, benefits, efficiency, consumer choice, wellness, prevention and sustainability. Each aspect will be addressed in turn. Regardless of what healthcare reform package is selected, it should ensure that we:

- Provide care based on best available evidence
- Implement systems and processes to assure that care is provided safely and effectively
- Remove obstacles to timely, efficient, effective patient care

Do what works best, do it consistently, and cause no harm sounds simple enough. In the complexity of today's health care delivery system it is anything but simple. Truly fundamental changes are required.

## **I. Provide care based on best available evidence**

- A. Develop common definitions of quality and safety** – The definitions of what constitutes safe care, what care improves patient outcomes, and what health variables impact the progression of disease change as medical science advances. The result has been a large number of fragmented efforts to define measures and develop guidelines that actually work to hinder performance. Building on national guidelines and measures developed by authorities such as the US Preventive Services Task Force, Ambulatory Care Quality Alliance, Center for Medicare & Medicaid Services and the Joint Commission, all stakeholders must work together to create a uniform set of definitions to align and strengthen the measurement, performance and reporting of safety and quality. This should be used as a basis for developing benefit and coverage plans, being cognizant that since clear evidence is not always available, it still may make sense to incorporate care for certain conditions into coverage plans. For example, long term effectiveness of obesity counseling and treatment has not been completely demonstrated, yet most would agree on the importance of having providers interact with patients, at least in some way, to help prevent obesity or encourage weight loss (to prevent diabetes, heart disease and other costly conditions). Our current system does not support this, even though the

potential gains to reduce morbidity, mortality and cost clearly outweigh the small investments made up front.

- B. Shift health care focus to preventing disease** – Quality systems that promote wellness and prevention are key to efficient health care delivery. While good health is an obvious objective, there are financial benefits as well. The current pay-for-procedure payment system rewards acute intervention while providing little or no incentive to prevent the conditions that create the need for acute intervention. Concentrating on prevention and evidence-based management of chronic disease, on the other hand, is beginning to show reductions in overall costs by minimizing morbidity and mortality. The World Health Organization estimates that if the major risk factors for chronic disease were eliminated, at least 80% of heart disease, stroke and type 2 diabetes, and 40% of cancers would be prevented. This would result in tremendous savings to the healthcare system.
- C. Consumer approach to patient participation and responsibility** – Coloradans are ultimately responsible for their personal health. As consumers, they should be rewarded for their cost-effective behaviors. Because routine health maintenance and proactive chronic disease self-management is less expensive than acute disease treatment, consumers who actively participate in the self-management of their health should pay less for their health care. Secondly, providers should be compensated for discussing and addressing these issues. Systems designed to engage patients and providers around proven models of chronic disease management are critical. These collaborative models leverage system-level best practices, strategies for proactive patient engagement, and provider accountability while empowering patients with self-help tools and education.
- D. Community discussion about the limits of care** – Providing safer health care, reducing the administrative costs of providing care, and helping Coloradans self-manage their health will make health care dollars go farther, but a finite number of resources will always exist. A non-partisan council representing all stakeholder groups should be formed to make a community-wide decision about what services should and should not be covered rather than placing those decisions on physicians and health plans. Other states have openly addressed the issue of limited coverage using objective measures and definitions as a basis for discussion of benefit limitations.

## **II. Apply systems and processes to assure that care is provided effectively**

Efficient health care requires providers develop and implement reliable processes and systems to ensure safe, effective, timely, efficient and equitable patient-centered care. The infrastructure for these activities already exists in Colorado.

- A. Integrated health information technology and electronic medical records** – A central component of health care delivery reform is an integrated health information network. Such a system would permit every provider in Colorado with access to electronic medical records that capture patients' complete medical history including current medications, clinical and family history, pharmacy contact information, and access to previous test results, immunization history, and screening and exam results. Expanding Colorado's central data exchange system developed by the Colorado Regional Health Information Organization (CORHIO) will improve outcomes by facilitating the adoption of best practices while reducing costs through improved quality and safety and avoidance of unnecessary redundancies. While these systems require upfront expenditures, they will ultimately reduce costs associated with repeated tests, reduce the medical and legal costs of avoidable errors, and potentially avoid unnecessary procedures and tests by providing evidence-based decision support at the point of care.

In order for COHRIO to be fully functional, both inpatient and outpatient facilities will need a mechanism to communicate with other providers using electronic medical records flowing through the CORHIO system. Small independent practices with no infrastructure and very small margins, will need assistance to purchase these systems and integrate them through practice redesign methods. Important to ensure is that whatever systems are purchased, they are interoperable with other systems and include disease registry functionality, which provides a tracking and reminder systems to ensure all patients get recommended care. A dynamic system increases reliability, reduces dependency on memory, increases efficiency, reduces workload, and ultimately reduces health care costs. Registries can also provide decision support tools proven to increase the efficiency of chronic disease management.

- B. Using data to drive performance** – Technology offers a wonderful system to track and measure performance. Providers must be trained in proper data collection and utilization techniques. These skills allow providers in all settings to consistently monitor their performance and make specific improvements to address the needs of specific patient populations.

Data on quality and efficiency measures should be collected by a neutral party who can combine data from multiple sources into a central data repository, verify accuracy, and provide reports to the various stakeholders while ensuring appropriate privacy protection. A common method of data collection should be used in order to reduce the burden on individual providers until a universal electronic system is available to all providers. The data collection process and reporting methods should be made transparent and reviewed by the Colorado Foundation for Medical Care, the Colorado Medical Society and others to ensure its accuracy and fairness and to identify areas of deficiency and target specific resources and approaches to improve those deficiencies.

Once data is deemed accurate, transparency of the data can be used to demonstrate provider performance as a way to educate patients, inform payers and employers and encourage selection of providers that meet appropriate standards. Data reports can be customized to meet the needs of numerous stakeholders, from individual providers to large provider systems and from public health officials to consumers. Transparency of the data enables it to be used to demonstrate provider performance as a way to educate patients, inform payers and employers, and encourage selection of providers that meet appropriate standards. It should be noted that transparency alone will not change behavior and if handled insensitively, will cause more harm as providers start to dismiss patients that are not helping to meet their goals. Thus, public reporting of performance data should require that providers have a chance to review and refute data prior to it being posted publicly.

- C. Reward excellent performance** – Incentives must be developed to reward both consumers and providers for their cost-effective and quality-enhancing behaviors. Rewarding preventive care and effective self-management will increase the efficiency of the entire health care delivery system. Health care facilities and providers that participate in quality improvement and patient safety activities, and who take the time to educate their patients about self-management, should be paid for these efforts. Providers who consistently score high on risk adjusted performance measures should be rewarded with higher payments, tax benefits, and other incentives.
- D. Promote proven delivery models** – Increased workloads and administrative burdens, competing demands, and decreasing reimbursements are combining to create a crisis in primary care. The effective, efficient delivery of primary care is the key to increased access and reduced expenditures. Regardless of what healthcare reform program is decided upon, strengthening of our primary care system is crucial using concepts such as the Medical Home to improve access, quality, efficiency and coordination of care. As part of this, physician practices will need assistance in redesigning the way they deliver care using tested methods such as the Planned Care Model to

improve efficiency, quality, and satisfaction for both patients and the healthcare team. Future coverage plans should be consistent with these models and compensate providers for a variety of patient contacts including group, email and phone visits since face-to-face visits alone can be inefficient, inconvenient for patients, and are often unnecessary. Patients can frequently be managed more efficiently and cost-effectively by telephone or e-mail and providers should be fairly compensated for their time.

### **III. Remove obstacles to timely, efficient, effective care**

- A. Align incentives towards a common goal** – Current fragmentation is one of the most destructive forces in our healthcare system today and causes inefficiencies, increases costs, and leaves patients vulnerable to safety errors. All major health care stakeholders, including providers, malpractice insurers, funding foundations, payers, purchasers, government agencies, delivery organizations, consumers, and the various organizations representing each group, should work together to develop a coordinated strategy to leverage limited resources, facilitate information exchange, and focus targeted education messages. This alliance, backed by the full force of the 208 Commission and the Governor’s office, should build on the common goal of safe, effective health care with a focus on high quality care at a reasonable cost.
- B. Simplified financial systems** – Any true overhaul of the health care delivery system must address overhead expenses such as the costs of medical billing and payment. Resources that providers and facilities currently spend navigating multiple, ever changing, payment and billing systems would be better utilized providing patient services. The costs of multiple systems are ultimately passed back to the consumer through higher premiums. Representatives of all stakeholders should be brought together to create a viable single-process billing and payment system.
- C. Fair and balanced legal system** – The current fault-based tort system promotes deniability and impedes development of a true culture of safety. Failure to acknowledge mistakes, learn from them, and take preventive measures against future occurrences create several unnecessary costs: the cost treating any harm caused by the error and the cost of subsequent legal action. When an unexpected medical result occurs patients should be offered a sincere apology, included in the investigation into the event, and be assured that preemptive measures will be taken. Programs using systems to assure open communication have been shown to improve the clinician-patient relationship and ensure equitable and appropriate compensation without limiting the patient’s right to take subsequent legal action. An example of this effort is the 3R’s program currently in use by COPIC.
- D. Promote consumer participation** – We must work in partnership with the entire community to activate Coloradoans as responsible consumers and to empower them to become proactive participants in health care reform. Better patient outcomes are achieved through the use of evidence-based techniques that emphasize patient activation/empowerment, collaborative goal setting, and patient-centered problem-solving. Consumers should have access to information about their health and receive help from providers, family, friends, and the community as they develop self-management skills. Decisions about care, including those involving end of life and palliative care issues, should be part of ongoing advanced discussions when individuals are more likely to make reasonable decisions, be satisfied with their decision, and avoid having decisions forced upon them in a time of crisis.
- E. Facilitate communication** – Each of the initiatives identified in this proposal can be significantly enhanced through improved communication: between family and patients, patients and clinicians,

primary care providers and specialists, outpatient clinics and hospitals, acute care and long-term care facilities and others. This type of communication facilitates the development and sharing of best practices as well as coordination of care to avoid medical errors and expensive redundancies. Above all, improvement of communication is crucial between all of the stakeholders within the healthcare system including providers, malpractice insurers, funding foundations, payers, employers and other purchasers, government agencies, delivery organizations, consumers, and the various organizations representing each group.

The challenges presented by the current health care delivery system are far too great for a single organization to manage. Fortunately, Colorado already has the infrastructure to address all three requirements outlined above. The resources of numerous Colorado organizations and collaboratives must be leveraged. Only through coordination and collaboration can efficient, effective, coordinated patient-centered care succeed.

## **One-Page Summary on Quality & Safety by Colorado Foundation for Medical Care**

Quality and safety are the cornerstones of cost-effective health care. Quality and safety permeate every aspect of health care reform and are the keys to improving access and sustainability. The success of health care reform, therefore, begins with a discussion of how to increase quality and safety while simultaneously reducing costs. Through this response to the 208 Commission RFP, the Colorado Foundation for Medical Care (CFMC) and its partners provide solutions that fulfill Governor Bill Ritter's promise to "Promote regional health care quality collaborations to reduce costly medical errors and complications through better processes of care."

In this spirit, CFMC collaborated with the Colorado Clinical Guideline Collaborative (CCGC), COPIC Insurance Company, the Colorado Patient Safety Coalition (CPSC), and numerous other individuals and organizations to identify solutions that add value to all reform proposals. As Governor Ritter noted, "Health care reform must be developed collaboratively." The existing resources and expertise of organizations such as those represented here should be leveraged into whatever reforms the Commission chooses.

We recognize that fundamental changes must be made to align the various elements of today's fragmented health care system. Foremost, individuals, families, and communities must become accountable for the critical role they play in health outcomes. We can no longer afford to concentrate on treating disease rather than preventing it, and consumers need to make better choices in order for this to be successful. For their part, providers must work to engage individuals, families, and communities in partnership. Only through coordination and collaboration can efficient, effective, coordinated patient-centered care succeed.

High quality care, without harm, requires providers to:

- Provide care based on the best available evidence
- Put systems and processes in place to assure that care is provided safely and effectively
- Remove obstacles to timely, efficient, effective patient care

We have the experience and infrastructure to help. For example, CCGC is a leader in the development and promotion of clinical guidelines (based on the best available evidence) for disease management and prevention, and is now working on implementing guidelines at the point of care through reliable systems and processes. COPIC Insurance Company is successfully promoting systems that assure quality care and foster a transparent culture of quality and safety. CPSC has made Colorado a leader in addressing patient safety issues. As Colorado's Quality Improvement Organization, CFMC is a nationally recognized leader in quality improvement, providing support for Colorado hospitals, physicians, home health agencies and long-term care facilities. Together these organizations represent every aspect of health care delivery in Colorado in the type of collaborative effort envisioned by Governor Ritter.

Reform that does not address the fragmentation of care and wasteful administrative costs within the current system will fail. The initiatives we propose represent the best opportunities to align incentives to increase quality and safety while reducing waste. The value these initiatives provide can be incorporated into any Health Care Reform proposal to expand access, broaden coverage, and reduce expenditures.